

Director of tentral Intelligence

Assistant Director for Operations

Director's Conference with Malocia A. Proct, Head of Monitoring Service, British Broadcasting Corporation, 1450, 9 November 1948

- REFS. : a. Copy of Record of Meeting of the BBC Monitoring Service and FBIS held on 30 May 1948 at Capersham Park, Reading, England (Tab A)
  - b. Agreed Category and Priority Counitments (Sab B)
  - 1. While it is not enticipated that, during subject conference, Mr. Frost will initiate detailed discussion of the FSIS-SSC Reciprocal Agreement and its implementation, it is believed that the Director should be aware of the fellowing salient points which have developed during the implementation of this agreements.
    - a. The major accomplishment to date is the agreement between FBIB and BBC on what transmitters each erganisation will menitor and placing each transmitter into an agreed eategory and priority. The agreement also includes tentative proposals for these entegories and priorities to be effective when PBIB stations now under construction are in operation. (See Tab B).
    - b. Briefly and generally the above agreement provides thete
      - (1) FBIS Cyprus will be responsible for coverage of USSR regional transmitters within its range, of the Near and Middle East and of European transmitters as for west and north as Yugoslavia and Amenia, inclusively. Particular emphasis will be placed upon the development of USSR regional coverage.
      - (2) BBC assumes responsibility for USSR Home Service and all Surepose coverage not included in a above.
      - (3) FBIS continental and castern Bureaus will be responsible for Latin America and the Par Sast, inoluding MSSR Siberian regionals.

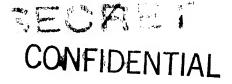
go of USSR foreign-language services will cording to the evallability of linguists ve stations.

CONFIDENTALOO

25X1

- g. Despite this allegation of effort there remains a considerable amount of duplication due primarily to the unreliability and lack of factor communication service. This duplication cannot be satisfactorily eliminated or greatly reduced unless or until the two Services have a network of fact, reliable and unrestricted communications. It is believed that the possibility of establishing such a network with transmitters located at Cyprus, London, Washington and possibly Okinawa should be fully explored.
- d. Since both Services distribute a large percentage of our end product to the press or, in the case of BBC, actually use it for news broadcasts the legal ramifications of the possibility of claims against the joint Services for infringement of copyright, unfair competition, defamation, libel, etc., are extensive. This matter is being explored by the Legal Counsel.
- e. The Cyprus station when completed will have cost almost \$500,000, perhaps three times as much as was originally estimated. Annual cost of operation is estimated to be approximately \$555,000. It will also be a much finor station in every respect and have a far greater range and espacity them our Cairo station from which we are now receiving approximately 5,000 words daily. For these reasons it is believed we will want to get about 20,000 words daily from Cyprus instead of the 10,000 for which 350 has agreed to pay the transmission cost to Lendon.
- f. BBC has requested that transmission in clear text over radio channels of UBSR seconomic data, particularly from the regional services, be avoided. FBIR consumers in the IAC agencies are in general agreement that this is advisable provided the delay in receipt is not too great. The only immediate way to de this is air mail which would delay receipt of this material in Masnington from 10 to 50 days. Transmission by telegraphic means cannot immediately be arranged due to the exhorbitant cost of exceeding and decoding, lack of proper equipment on hand, and due to the different types of equipment used by the two Services as well as the two governments. We expect to agree to this proposal provided telegraphic means of communication can be arranged. If not, we expect to agree to transmission via air mail on an experimental basis until the delay in receipt can be more accurately determined.
- 2. The Director should also know that while NBC is not expected to start paying transmission seets from the Mediterranean Bureau to London until the Cyprus station opens, FBIS is already furnishing BBC the following new services

- 2 -



- so The Latin American Daily Report via air mails
- be The Far Rast Daily Report via air mails
- go Five thousand words daily via teletype of selected Far Eastern intercepts. This will be gradually increased to 20,000.
  - d. The FBIB Neekly Survey of USSR Broadcasts.
- S. Mr. Prost has spent approximately two weeks at the FSIB Washington Office and has visited the Hest Coast Bureau at Heseda, California. As a result it is believed that his former impression that FBIB was comparable to our sub-standard Cairo copy has been corrected, and that he has a keen interest in and respect for our operation.
- 4. It would be of assistance in present and future negotiations if the Director could mention, if not emphasise, his personal interest in the following points:
  - as Communications -- the establishment of fast, reliable and unrestricted communications.
  - be <u>Increase of Cyprus File</u> from the agreed 10,000 words daily to 20,000 daily at BBC expense. Ten thousand words cost BBC approximately 15,000 pounds sterling per year. It should be remembered that this is merely a book transaction within the British Government and does not cost any dollars.
  - e. Expeditions Receipt of URSE Economic Data not transmitted in Clear Test we do not believe air sail will be very satisfactory. Telegraphic means must eventually be worked out. It should be noted that since must of this material will come from Cyprus and Lendon the delay in receipt by SBG will be negligible while delay in receipt by FBIB will be considerable.
- 5. Since all of these discussions and negotiations involve money, it is also considered advisable that the Director indicate that it is expected that FBIS may have to operate on a reduced budget during fiscal year 1850, and that we do not just have plenty of dollars to throw about at willo

121

GEORGE G. CARET

00/FB:LKW:hmg 8 November 1948

Address of and 1 00 - 2 Ret to FBIB - 1 CONFIDENTIAL

00107659 0